When delivering biased beliefs, the line should be drawn when one begins to attack (inaudible). This insures that the freedom of free expression is still protected. The case of Comver versus Smith in 1949 proves this. When the Nazi party wanted to march through a predominantly Jewish town of Skokie, Illinois, they were denied a permit to march by civil courts. The Supreme Court cited the balancing test and overruled the decisions of the lower courts, which indicated that the denial was fair and just.

Jess McCall: Currently, in the Vermont state legislature, they are trying to pass a bill that would allow the victims of bias-motivated crimes to obtain a court order similar to abuse-prevention orders, prohibiting their attackers from further harassment.

To guarantee freedom of speech and the security of minorities, one's rights to freedom of speech must be outweighed when that speech is intended to harm an individual because of their minority status. Legislation must be passed to significantly increase punishment to those who violate this test. However, this must only be applied when trying a crime that does not already include a life sentence. While it is important to protect our nation's freedom of speech, it is more important to protect the individuals of our nation from racial, gender, ethnic, sexual-orientation, or religious-based slander.

INCOME TAX SYSTEM

(On behalf of Erin Gray and Sara Voight)

Sara Voight: The problem with the current tax system is it is complex, unfair, inhibits savings, and imposes a heavy burden on families. It cannot be replaced by a little change; it must be completely replaced.

The U.S. income tax code is a burden and a waste. The IRS publishes 480 tax forms, and 280 forms to explain the 480 tax forms. Annually, the IRS sends out 8 million pages of tax forms. If you were to lay these out end to end, they would circle the earth 28 times. This amount of paper is wasteful and would be better used for other things.

The main reason the tax code is so complex is the deductions, credits and other special preferences in the tax law. Because of all these loopholes, Americans with very similar incomes can pay vast differences in the amount of taxes. The progressive tax is complicated, but it has the right idea about giving a separate percentage to each income bracket.

Erin Gray: An example of a flat-tax solution was introduced by Congressman Dick Armey and Senator Richard Shelby. The Armey-Shelby flat tax scraps the entire tax code and replaces it with a flat-rate income tax. The flat rate would be phased in over a three-year period, with a 19-percent rate for the first two years and a 17-percent rate for later years.

Individuals and businesses would pay the same rate. This particular plan eliminates all deductions. The only income that is not taxed is a generous personal exemption that every American would receive. For a family of four, the first $35,000 in income are not taxed. No loopholes, no checks; just a simple plan that treats everybody in America the same.

Sara Voight: Both plans have their positive sides. The flat tax has its simplicity, but it also makes it unfair for people with largely different incomes. The progressive tax, which we have now, has the right idea, but all the loopholes and deductions make it unfair. But if you were to combine both plans, and make a progressive flat tax, you will have a tax system that is simple, fair, and works for everyone.

Congressman Sanders: Thank you for dealing with an issue that receives a great deal of attention and debate, and people have great differences of opinion on it.

INTERNATIONAL STUDENT ACTIVISM ALLIANCE

(On behalf of Jess Field, Claire Bove, and Tara Quesnel)

Tara Quesnel: The International Student Activism Alliance was formed almost three years ago by a group of high school students in Connecticut. Since then, it has grown to include over 1,200 members, with at least one chapter in each of the 50 states. The ISAA strives to empower students and give them a voice in issues that concern them.

Past and present ISSA issues include censorship of student publications, community curfews, and getting students with voting rights on state boards of education.

Claire Bove: The ISAA is different from any activism organizations and extra-curricular opportunities open to students. First, it is entirely student-run. The power structure consists of a national chair, the official head of the organization, and a cochair in each state. The national chair is assisted by an executive board. Members of the board include the newsletter editor, the national technology fundraising and recruiting directors, and the national coordinators. At the chapter level, there are chapter representatives. All these positions are filled by high school students.

The second thing that differentiates the ISAA from any other organization is the freedom individual chapters have. Chapter members organize around issues that are important to them. The issues are not partisan, they're student. Additionally, there is no action required of any member.

Jess Field: I believe that organizations like the ISAA are very important. As Congressman Sanders said earlier, voter turnout in our country is incredibly law. We need to find ways to allow young people to become more involved and interested in the government. Opportunities like becoming active in organizations like ISAA should not be passed up.

The experience goes well beyond the actual activism. Organizations like this teach youth self-confidence and self-respect as well as giving us a sense of what power we actually hold in a democracy like this one.

Our government needs to endorse positive civic involvement with youth. This could be accomplished with grants toward student organizations like the ISAA. Forums like this one are also very effective ways of allowing students to speak out and have their voices heard. If any members of the audience are interested in becoming more involved with the ISAA, they should find me afterward.

Congressman Sanders: Thank you very much for an excellent presentation on an important issue.

HONORING AMY NORDQUIST, LANAY M. LINNEBUR, AND SHEILA NIGHTINGALE

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. SCHAFFER. Mr. Speaker, I rise today to recognize three high school junior scholars; Amy L. Nordquist of Kit Karson, CO, Lanay M. Linnebur of Byers, CO, and Sheila Nightingale of Berthoud, CO, upon receiving the Discover Card Tribute Award Scholarship. This award is very competitive. There are 10,000 applicants and 470 recipients. Each scholar is noted for excellence in community service, leadership, special talents, unique endeavors and obstacles they have overcome. Each individual was rewarded for expertise in various fields. Ms. Lanay received $2,500 award in Trade and Technical Studies, Ms. Nightingale received a $1,750 award in Arts and Humanities, and Ms. Nordquist received a $1,750 award in Trade and Technical Studies. I commend these students for their phenomenal work.

TRIBUTE TO WILLIE MAE RIVERS

HON. MARION BERRY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. BERRY. Mr. Speaker, I rise today to recognize a woman whose leadership and caring nature have influenced so many, Ms. Willie Mae Rivers.

Willie Mae Rivers was born in Charleston, SC. She aligned herself with Calvary Church of God in Christ in 1946, where she has served over the past 50 years. Ms. Rivers has also served as district missionary and assistant state supervisor for the state of South Carolina. Ms. Rivers has also held various positions on Screening and Program committees, District Missionaries, and instructor of the State Supervisor's class.

Ms. Rivers is the mother of 12 children. She currently maintains a satellite office in addition to the Church of God in Christ headquarters in Memphis, TN.

Ms. Willie Mae Rivers is a leader and giving individual who deserves the respect and admiration of everyone.

THE INTRODUCTION OF THE FAIRNESS IN TELECOMMUNICATIONS LICENSE TRANSFERS ACT

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. HYDE. Mr. Speaker, today I am pleased to join with Chairman GEKAS of the Subcommittee on Commercial and Administrative Law and Congressman GOODLATTE to introduce the ''Fairness in Telecommunications License Transfers Act.''

As chairman of the Judiciary Committee, the committee with jurisdiction over antitrust and administrative procedure matters, I have long been concerned about the treatment of mergers in the telecommunications industry. During the consideration of the Telecommunications Act of 1996, Ranking Member JOHN CONYERS and I were instrumental in updating the law to make sure that telecommunications mergers received a full antitrust review under the normal Hart-Scott-Rodino process in addition to the broader public interest review of license transfers by the Federal Communications Commission.

Since that time, the Committee on the Judiciary has continued to study this matter. On June 24, 1998, we held an oversight hearing on ''The Effects of Consolidation on the State of Competition in the Telecommunications Industry.'' Chairman William Kennard of the FCC was invited to appear at that hearing, but

he had a scheduling conflict. At that time, I remained hopeful that the dual review would enhance the process rather than detracting from it.

I have been pleased with the Department of Justice's role in these mergers. Although I may not agree with their substantive decisions in every respect, they have reviewed these mergers in a reasonable procedural manner under tight time deadlines. I think that their work has shown that Mr. CONYERS and I did the right thing in 1996 when we succeeded in getting these mergers into the Hart-Scott-Rodiono process.

The FCC's record on the other hand has been disappointing to say the least. On May 25, 1999, Chairman GEKAS's Subcommittee on Commercial and Administrative Law held an oversight hearing on that record entitled ''Novel Procedures in FCC License Transfer Proceedings.'' Again, Chairman Kennard was invited to appear, but had a scheduling conflict. At that hearing, the Subcommittee heard disturbing testimony from Commissioner Harold Furchtgott-Rott about the utterly standardless decisionmaking process that the Commission employs in these matters. His testimony proved that the title of that hearing was instructive in at least two regards. First, as Commissioner Furchtgott-Roth testified, under current law, the FCC has authority to review license transfers—not mergers. Second, he told us that the FCC's procedures are novel indeed—they are not written down anywhere.

Let me address both these areas. On the substance of the review, I have not in the past opposed the FCC's consideration of competitive factors as part of its public interest review of license transfers. I thought that some additional competitive analysis might be helpful. Based on the experience of the last year, and particularly the experience of the SBC and Ameritech merger, however, I am now much more skeptical. Having reviewed the governing law and Commissioner Furchtgott-Roth's testimony. I have substantial doubts as to whether the FCC should be redoing the competitive analysis done under the Hart-Scott-Rodino process. It appears to me that the license transfer authority was primarily intended to allow the Commission to determine whether the transferee is a responsible and qualified party—not to launch a full scale competitive analysis. At the least, the kind of far-flung proceeding that SBC and Ameritech have faced strikes me as beyond the intent of the statute.

For that reason, Section 2 of the bill would clarify that the FCC is not an antitrust enforcement agency. It removes language in the Clayton Act that currently appears to give the FCC concurrent authority to enforce the antitrust laws against telecommunications carriers. That authority has rarely been invoked in any formal manner, but I think that this change will help to clarify the appropriate role of the FCC in license transfer review and in other areas.

Second, we must address procedural fairness in license transfer proceedings. I do not think I can say it any better than Commissioner Furchtgott-Roth put it to the Subcommittee: ''debates about process are not trivial debates. To the contrary, regularity and fairness of process are central to a governmental system based on the rule of law. As the law recognizes in many different areas, the denial of a procedural right can result in the abridgment of a substantive right.''

What is wrong with the FCC's procedures? Let's consider SBC and Ameritech as a case study. First, the FCC simply does not have any rules for dealing with license transfer—none. As Commissioner Furchtgott-Roth testified, there simply is no place to go to look up the rules. Rather, in the case of SBC and Ameritech, the Commission has adopted a ''make it up as you go'' approach. Whenever the deal has neared the goalposts, the goalposts have been moved. That is confusing and costly for all concerned.

Second, because there are no clear rules, some license transfers are treated in one fashion and some in another. Thousands are dealt with in a perfunctory fashion, and a few are dealt with extensively. There is nothing inherently wrong with that, but it ought to be done according to some neutral principle. For example, without commenting on their substance, it is hard to see why the AT&T–TCI transaction was approved in less than six months and the SBC-Ameritech transaction still is not completed after more than a year. That necessarily affects competition between these companies. A fundamental principle of fairness is that similarly situated parties ought to be treated similarly. Moreover, government bureaucracies ought not to be dictating market outcomes.

Third, as I just pointed out, the SBC-Ameritech transaction has been pending for over a year. I have usually been circumspect in commenting on pending matters, but because of the extraordinary delay here, I wrote to Chairman Kennard on March 22, 1999 asking him to act expeditiously. A month later, he wrote back to me stating that the Commission had instituted a new round of procedures and that a decision was possible by the end of June. The end of June has come and gone. The Commission and the parties have reached a tentative agreement on 26 conditions for the merger, but the Commission has not voted on it. Again, without commenting on the substance of the merger, this level of delay is simply unacceptable. These companies are involved in fiercely competitive markets, and time is of the essence. Billions of dollars of commerce have been held hostage to bureaucratic delay.

Fourth, I am concerned about the conditional nature of this tentative approval as a procedural matter. The statutory basis for such conditional approvals in FCC license transfer proceedings is unclear at best. When the number of conditions rises to 26 and they are as extensive as those we see here, I have to question whether this is a public interest review or something else. These conditions may well be helpful as a policy matter, and I am at least pleased that this lengthy process is coming to an end. However, the legal and procedural basis for them is less than clear to me.

All of these examples show what is wrong procedurally with the consideration of license transfers at the FCC. Section 3 of our bill would amend the Administrative Procedure Act to require the FCC to write rules governing their license transfer proceedings. We do not try to dictate what those rules should be. We simply require that there must be neutral rules accessible to all in advance. That seems to me simple fairness. With such rules in place, all parties will have an equal chance in these proceedings. If the FCC fails to write such rules or it does not follow them, parties to license transfers can bring a court action to have their transfers deemed approved.

Mr. Speaker, I believe these simple changes will bring order and fairness to what has become a chaotic and unfair process. I urge my colleagues to join me, Chairman GEKAS, and Congressman GOODLATTE in passing this important legislation.

THE FINANCIAL SERVICES ACT OF 1999

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. DINGELL. Mr. Speaker, as ranking member of the Committee on Commerce, which has jurisdiction over securities including the standards of financial accounting, and to whom was referred the bill H.R. 10, the Financial Services Act of 1999, I rise to clarify a matter involving the legislative history of this legislation. My remarks are an extension of remarks that I made during House consideration of H.R. 10 on amendment No. 8 offered by Mrs. ROUKEMA (July 1, 1999, CONGRESSIONAL RECORD at H5295 and H5299).

During House consideration of this amendment (July 1, 1999, CONGRESSIONAL RECORD at H5294–H5300), several Banking Committee Members were recognized for unanimous-consent requests to revise and extend their remarks on that amendment which related to the manner in which insured depository institutions or depository institution holding companies report loan loss reserves on their financial statements. Because the House adjourned following completion of H.R. 10 at midnight on July 1, 1999, until 12:30 p.m. on Monday, July 12, it was not possible to review the material inserted by these Members until after the Independence Day District Work Period.

In conducting that review, I have discovered nongermane and inaccurate remarks about an accounting practice known as ''pooling.'' These remarks, which were not before the House when it voted on the Roukema amendment, assert that the Financial Accounting Standards Board (FASB or Board) ''has not always sought adequate input from the accounting or banking communities on proposed changes in regulations''—a patently false statement when compared with both the public record and FASB's own procedures regarding due process—and asks the conference committee on H.R. 10 to ''include language either in this bill or future legislation to ensure that this process is an open and fair one'' (July 1, 1999, CONGRESSIONAL RECORD at H5296, bold type-face material, 2d column).

I have the following comments on that material which follows the statement that the gentleman from Alabama (Mr. BACHUS) actually delivered to the House:

Since 1996, FASB, the independent private sector organization that establishes and improves standards of financial accounting for the United States, has been publicly deliberating issues relating to the accounting treatment for business combinations.

Currently in the United States, companies can account for a business combination in one of two very different ways: the ''purchase'' method—in which one company is the buyer and records the company being acquired at the price it actually paid—and the ''pooling-of-interests'' method—in which two companies